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## **Blighted Property Review Committee**

**Thursday, September 19, 2013**

### **Update Meeting Report**

**BRPC Members Attending:** L. Olsen, Chair; R. Corcoran, M. Wolfe, W. Bealer, H. Urena

**Others attending:** L. Kelleher, T. Butler, J. Kromer, R. Natale

Mr. Olsen, Chair, called the meeting to order at 6:08 p.m. and announced that a quorum was present.

#### **Public Comment**

Mr. Olsen opened the floor for public comment. As no one stepped forward to speak, the comment period was closed.

#### **Agenda**

Mr. Olsen called the BPRC's attention to the agenda for this meeting.

**Mr. Bealer moved, seconded by Mr. Corcoran, to approve the agenda. The motion was approved unanimously.**

#### **Amendment of the Bylaws**

Mr. Olsen stated that the Committee's bylaws were redrafted to make corrections and clarifications. He stated that the changes were thoroughly vetted. He stated that the administration did not issue any objections to this redraft. He stated that originally the CD Department requested the addition of an Executive Officer; however, they now recognize that adding this officer would be cumbersome. He inquired if anyone had any questions.

Mr. Bealer requested some adjustments to the language as follows:

- In Article IV and VII add a reference to the local ordinance number to avoid confusing the citation with the State Statute
- In Article V change the definition of quorum to four (4) rather than 2/3

- In Article VIII add “non-hearing” to agenda approval to avoid the perception that the Committee selects the properties that are processed
- In Article VI correct the spelling of bylaws

Ms. Butler suggested adding approval of the minutes to all agendas including minutes from hearings.

Mr. Corcoran suggested adding the approval of the hearing minutes from the preceding hearing before the Committee considers the properties on the consent agenda.

**Mr. Corcoran moved, seconded by Mr. Urena, to approve the amended bylaws with the corrections. The motion was approved unanimously.**

#### **Update from Property Maintenance and John Kromer**

Mr. Olsen stated that he and Ms. Wolfe, Ms. Kelleher and Mr. Kromer have been meeting over the past five (5) months with Mr. Kromer about the Administration’s concern with the backlog of certified properties. He stated that due to the efficiency of the blighted property process a great number of properties are in the backlog. He noted that Mr. Kromer has said that the process used by the Committee is one of the most successful in the State. He stated that the number of properties certified and the number of properties processed has placed a strain on the administrative staff. He stated that a shopping list of acquisition tactics has been developed but is yet untried.

Mr. Olsen stated that Mr. Kromer and Mr. Natale are here to present a recommendation for the 2014 hearing schedule.

Mr. Kromer stated that the process used by the Committee is a great vehicle to deal with blighted properties. He stated that the ultimate goal is for properties to come into compliance either before or after they travel through the hearing process. He noted that many properties clear their qualifying issues before they enter the hearing phase or before the certification phase. He stated that slowing the hearing schedule would provide Property Maintenance with more time to work with property owners and provide property owners with more time to clear the issues at their properties.

Mr. Kromer stated that he and Mr. Kersley are working to create a report showing the disposition of properties that qualify as blighted. The report will be ready for the

Committee's review in November. He stated that the properties certified in July will move through the certification process in October and then in 2014 the Committee will hold only two determination/certification cycles where 25 properties will be processed in each cycle.

Mr. Kromer stated that Ms. Butler plays a key role in the processing of properties as she prepares the case on each property, provides the Committee with assurance that the properties being processed qualify and that the information provided on each property is accurate and meets the legal requirements.

Mr. Kromer stated that the City Clerk and the Property Maintenance Division need to have the ability to communicate without interference about the blighted property process. He stated that as such, the CD Director will no longer be involved and Mr. Natale as Property Maintenance Division Manager will be directly responsible for the blighted property process.

Mr. Kromer stated that various acquisition tools have been created with the goal of avoiding use of the costly and time consuming eminent domain process. He stated that these methods are yet untried. He stated that the tools include Conservatorship, where a developer petitions the court to seek permission to rehab a property owned by another party. He stated that this method requires the use of various professionals. Another method is advertising the certified properties and turning them over to qualified developers who will operate on a rehab timeline, similar to that used in the CORE program.

Mr. Natale explained how the scoring system will be used to select properties for the blighted property process. He distributed a handout showing how properties are selected then processed. This timeline adds time for his staff to work with property owners. He noted that at times properties with the highest scores should not be certified as they are probably demolition eligible. He stated that he will work with the City Clerk about any remaining concerns.

Mr. Natale stated that the Property Maintenance Specialist position is unfilled and that interviews are scheduled with outside applicants in the near future.

Mr. Natale suggested having a tally sheet approved at the end of the hearing.

Mr. Natale and Ms. Butler noted that Property Maintenance has questioned the validity of the motions and decisions on properties at hearings and the content of the minutes due to their recollection.

Ms. Kelleher explained that when requests for changes to meeting minutes are made, she reviews her notes against the minutes and the request and at time she also listens to the recording of the hearing. She stated that after weighing the request against the hearing record, she decides if the requested change is warranted.

Ms. Butler questioned the need for a post hearing tally as a representative from Property Maintenance is at the hearing and that person could make a notation on their agenda.

Mr. Olsen noted that properties that are represented are taken first and individual hearings are held for each property. He stated that properties without representation are addressed with the consent agenda.

Mr. Natale noted that at times the representative is busy with other matters and sometimes misses the vote or decision. He stated that the tally would eliminate the need for Property Maintenance to wait for the distribution of the minutes.

Ms. Kelleher stated that she would devise a way to satisfy the request. *Note: On Friday the 20<sup>th</sup> Ms. Kelleher suggested creating a tally sheet showing the property addresses with "A" for approved, "T" for tabled, "R" for released, "CA" for consent agenda and "D" for decertified. She will circle the proper item immediately after the vote and then have the Chair and Solicitor initial the sheet immediately following each hearing. The sheet can then be provided the Property Maintenance representative before they leave the hearing room.*

Mr. Olsen commended Mr. Kromer for his assistance over the past months.

Mr. Corcoran inquired if any progress has been made correcting the foreclosure methods currently being used by banks.

Mr. Kromer described his work on this issue with the Neighborhood Stabilization program to acquire foreclosed properties. However, he noted that at this time the administration lacks the required capital and the required five (5) day "turn around" time to use the Neighborhood Stabilization programs. He stated that this remains only an option for the future.

## **Act 90 Update**

Ms. Kelleher inquired if the Administration has used any of the available options applied in the Act 90, which is an anti-blight statute. She stated that under Act 90 the administration can either withhold permits or withdraw issued permits to property owners who own certified properties. She stated that the administration also has the ability to apply liens to a property owner's personal property under Act 90.

Ms. Butler stated that through the County Treasurer's Office, owners of properties that qualify as blighted properties are prohibited from buying properties at tax sales. She stated that she has also spoken with the County DA about charging a property owner with four (4) guilty verdicts on the same issue with a misdemeanor; however, currently the City does not have any properties with four (4) guilty verdicts on the same issue.

Ms. Butler recalled the disbandment of an internal work group that was formed to develop Act 90 strategies. Ms. Kelleher recalled that the work group devised a trial plan to test some of the available options.

Mr. Corcoran agreed with the need to develop, test and evaluate individual Act 90 initiatives.

Mr. Kromer suggested that Ms. Butler reconvene the work group

Mr. Olsen stated that the Committee is scheduled to hold a certification hearing on October 17<sup>th</sup> at 6 pm, which will be the last hearing for 2013.

Ms. Butler suggested addressing any remaining issues at the November non-hearing meeting, where Mr. Kromer will review his report on blighted properties and cancel the December meeting. The Committee agreed with Ms. Butler's suggestion.

The BPRC meeting adjourned at approximately 7:05 pm.

*Respectfully submitted by Linda A. Kelleher, Secretary*